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# Despite Accepted Practice, Casey Keeps Control of Stocks

By Michael J. Sniffen and Robert Parry  
Associated Press—

CIA Director William J. Casey, one of a handful of men with broad access to the government's secret data on international economic developments, has reversed the practice of his two predecessors and kept control of his personal stock holdings.

Casey and his wife own stock worth at least \$1.8 million, and perhaps more than \$3.4 million, in 27 corporations. Many of the firms are involved with oil, natural gas and strategic minerals and operate in nations of deep interest to U.S. intelligence.

Unlike Casey, others with access to closely held economic secrets—including President Reagan, Vice President Bush, Secretary of State Alexander M. Haig Jr. and Treasury Secretary Donald T. Regan—placed their holdings in blind trusts. Secretary of Defense Caspar W. Weinberger divested his stock in companies which do business with the Pentagon, but he did not create a blind trust.

Casey, whose past business dealings are under investigation by the Senate Intelligence Committee, maintains ultimate control over his stocks although an investment adviser handles day-to-day management of the portfolio, according to CIA general counsel Stanley Sporkin.

Speaking for Casey, Sporkin said the adviser has bought and sold stock on Casey's behalf since the former Wall Street attorney took over at the CIA last January. Sporkin said Casey was not aware of what had been purchased, but the CIA counsel said he could not say Casey was unaware of what had been sold.

He declined to identify any Casey stocks bought or sold, but noted that the law requires incumbent officials by May 15 of each year to disclose the value, within broad ranges, of each stock transaction during the previous year.

Casey owns more than \$250,000 in Superior Oil Co., which deals with the Abu Dhabi government on how much oil Superior can pump in the Persian Gulf. Superior also has been negotiating with Thailand on the sale of natural gas and the firm has an interest in a South African platinum subsidiary.

Among the other firms in which he holds stock are Schlumberger Ltd., a Netherlands

Antilles-based firm that provides technical assistance to the oil industry; Philip Morris, a worldwide tobacco and soft-drink firm; Dome Petroleum Ltd., a Canadian oil firm, and Standard Oil of Indiana, which has oil or gas operations on five continents.

[Meanwhile, Intelligence Committee sources say that for nearly half his term as chairman of the Securities and Exchange Commission in the 1970s, Casey did not comply with a written commitment to Congress that he would put all of his family holdings in a blind trust.]

A 1965 presidential order and existing regulations prohibit federal employees from using nonpublic information obtained through their government work "for the purpose of furthering a private interest."

In addition, existing government-wide regulations on ethical conduct say "an employee shall avoid any action, whether or not specifically prohibited . . . which might result in or create the appearance of using public office for private gain."

Casey's predecessors—Bush and Stansfield Turner—set up blind trusts, citing concerns over the appearance of conflict of interest.

Sporkin said Casey asked early this year whether he should create a blind trust and was told Feb. 3 by CIA deputy general counsel Ernest Mayerfeld he did not have to.

Mayerfeld was unreachable, but Sporkin explained: "There's no requirement that I know of to put his holdings in a blind trust. The only reason you would do it is if there is a need and I don't see a need."

He said of Casey, "You're dealing with a very honorable person. . . . He wouldn't misuse information. He just wouldn't do that."

According to his 1981 financial disclosure statement, Casey has at least \$1.6 million and possibly more than \$2.9 million invested in firms with extensive foreign operations. In addition, Casey's wife, Sophie, holds between \$175,000 and \$515,000 in similar firms, and Casey has sizeable holdings in domestic oil operations whose value is affected by foreign developments.

White House counsel Fred Fielding and J. Jackson Walter, head of the government's ethics office, both reviewed Casey's holdings and said they relied on Mayerfeld's judgment that Casey did not need a blind trust.



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